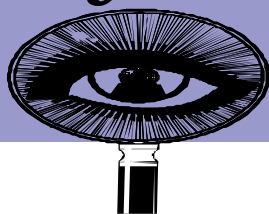


An Eye On Your Economy



"An Eye on Your Economy" highlights the U.S. Census Bureau's data collection activities, for the Manufacturing, Mining, and Construction sectors of our economy. We hope you find the articles and information useful and look forward to suggestions on ways to increase it's value in the future."

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E-Business and the U.S. Census

by John Gates and Mendel Gayle

The U.S. Census Bureau is leading the efforts of federal statistical agencies to develop measures of the electronic economy. Many economic analysts and policy makers believe that developments in the use of computer networks are responsible for a large share of the recent economic prosperity experienced in the U.S. Unfortunately, there is little hard evidence to validate this claim. While the Internet is capturing most people's attention right now, the Bureau has determined that in order to establish an accurate measurement of this segment of the economy, benchmarks of all computer-mediated networks must be included

in our estimation programs that evaluate our economic activity.

Here in the Manufacturing and Construction Division, we are preparing to ask more than 50,000 manufacturing plants about their use of computer networks. The U.S. Census Bureau hopes to develop some of the first official government statistics on the effects of the use of computer networks on businesses in the U.S. We will inquire about online purchases of materials and supplies, as well as online orders from customers. In addition, we will also ask about the use of computer networks in other ways both within a manufactur-

ing plant and between plants.

Despite all these topics, the questionnaire will be brief. We are striving to minimize the burden on our respondents while still collecting useful information on the use of computer-mediated networks in the Manufacturing sector. With these data, we hope to establish a "base" from which future changes can be plotted. We expect to provide estimates in the spring of 2001. For a sneak preview of our proposed questionnaire, visit www.census.gov/mcd/ma1000ec.html

A Focus on Residential Remodeling

by Barry Rappaport

Residential remodeling and repair is a large and growing economic activity. As reported in the quarterly report *"Expenditures for Residential Improvements and Repairs (C50)"*, more than \$120 billion was spent on this work in 1998, the highest level ever recorded. Expenditures include work done by hired contractors and do-it-yourselfers. Data in the report are obtained as part of the Consumer Expenditures Survey, which

the U.S. Census Bureau conducts for the Bureau of Labor Statistics, and a follow-on survey of the owners of rental and vacant housing units. A number of improvements are currently being made to the C50 series. Frederick T. Knickerbocker, Associate Director for Economic Programs, discussed these improvements at the February 10th Remodeling Information Industry Summit Conference held in Washington,



DC. Among these enhancements are an increase of 20 percent in the survey sample size, release of data sooner by 1-2 weeks, and improvements in the estimation methodology. For more details on survey improvements, contact Mike Davis or Joe Huesman at 301-457-1605.



2002 NAICS Revisions Proposed for the Construction Sector

by Robert Wright

For the 2002 Economic Census, the U.S. Census Bureau will use the revised [2002 North American Industry Classification System \(NAICS\)](#) structure for the Construction sector. This revision divides the Construction sector into three subsectors:

(1) Construction of Buildings, (2) Heavy and Civil Engineering Construction, and (3) Specialty Trade Contractors. These three subsectors are further subdivided into 10 four-digit industry groups and 12 five-digit industries.

2002 Revision Highlights:

» The Specialty Trade Contractors subsector is organized into 4 four-digit industry groups: (1) Foundation, Structure, and Building Exterior Contractors, (2) Building Equipment Contractors, (3) Building Finishing Contractors, and (4) Other Specialty Trade Contractors.

» New Housing Operative Builders and Residential Remodelers are new U.S. industries for NAICS 2002.

» Site Preparation Contractors is a new industry and will include establishments

performing excavation work, demolition, and equipment rental (except cranes) with an operator.

» Land Subdividers in 1997 were in the Building, Developing, and General Contracting subsector. For NAICS 2002, they are included in the Heavy and Civil Engineering Construction subsector.

» Water Well Drilling Contractors in 1997 were in the Special Trade Contractors subsector. For NAICS 2002, they are included in the Heavy and Civil Engineering

Construction subsector.

» Carpentry Contractors was a single industry in 1997. For NAICS 2002, this industry will be split into two industries, Framing Contractors and Finish Carpentry Contractors.

We are currently soliciting comments on the proposed classification revisions developed and agreed upon by the U.S., Canada, and Mexico statistical agencies. To view and comment on the proposed revisions, visit the following web site:

www.census.gov/naics.

Monthly Manufacturing Survey Testing New Electronic Reporting Systems

by Lee Wentela

The Manufacturing and Construction Division is conducting a test of three new electronic reporting systems for the [Manufacturers' Shipments, Inventories, and Orders \(M3\)](#) survey. These tests are aimed at developing more reporting options, reducing cost, and improving the timeliness of data retrieval. The first test in-

volves [voice recognition entry \(VRE\) software](#) that will upgrade our current touch-tone data entry system. This VRE software will accept either voice or touch-tone data entry. The voice capability allows for more speedy response and provides a voice message option for leaving important messages to our analysts. The second test util-

izes the [Internet for respondent reporting](#). The computerized self-administered questionnaire (CSAQ) lets our respondents log on to a U.S. Census Bureau Internet site to report. The third test is the [Paperless Facsimile Image Reporting System \(PFIRS\)](#). This system recognizes data reported via FAX and converts the data to text files for automated re-

view and implementation into our database.

All of these systems are primarily focused on the goal of offering a variety of timely and efficient reporting methods to our respondents. These systems also provide electronic data retrieval that enables us to receive and load M3 data efficiently, thus reducing costs.

Oil and Gas Extraction Industries Lead Mining Sector

by Richard S. Hough

Results of the 1997 Economic Census show that mining continues to be an important part of the U.S. economy. In 1997, the Mining sector had shipments of \$174.0 billion. This represents a 7 percent increase from the 1992 total of \$162.1 billion. The oil and gas extraction industries remained the leaders with \$102.8 billion (59 percent), followed by the coal mining industries with \$23.4 billion (13 percent).

Oil and gas products are a part of everyday life in the U.S. We consumed more than 65 quadrillion Btu's (British thermal units) from these products in 1997. The U.S. accounted for 55 percent of this total¹. The U.S. Census Bureau publishes data on the production of crude petroleum (including lease condensate), natural gas, isopentane and natural gasoline, propane, butane, ethane, and residue gas within two

industry reports. State level data are also published along with an offshore area report.

The U.S. produced more than 23 quadrillion British thermal units in 1997 from coal¹. Data are published on the production of bituminous coal, subbituminous coal, lignite and anthracite within three industry reports. State level data are also available.

The U.S. mines a lot more than just oil, gas, and coal.



Data on all mining industries can be found at our web site www.census.gov/mcd under the 1997 Economic Census.

^{1/} Source: *Energy Information Administration's "Monthly Energy Review," December 1998.*

Fats and Oilseed Crushings, Production, Consumption, and Stocks

by Nancy Higgins

Did you know that soybeans are planted on over 25 percent of the U.S. crop area?



You might know that soybean oil goes into products like margarine, mayonnaise, and salad oils, but it

has many more uses! Soybean oil is used as an anti-static agent and as an anti-corrosive agent in the automobile industry. It goes into crayons, linoleum flooring, epoxies, paints and fungicides.¹

So how can you get the most reliable and up-to-date soybean information? By using Census data. The U.S. Census Bureau conducts the Oilseed Crushings report (M311J), which covers oilseed crushings, crude vegetable oils, oilseed cakes and meals, soybean mill feed, and soybean lecithin. The Fats and Oils: Production, Consumption and Stocks report (M311K) covers production and stocks of re-

fined fats and oils and consumption into edible and inedible products.

Some of the most closely watched figures on these reports are crude and refined soybean oil stocks (1,516.5 million pounds and 250.0 million pounds, respectively), soybeans crushed (4.3 million short tons), crude soybean oil produced (1,599.6 million pounds), and refined soybean oil produced (1,150.4 million pounds) as shown in the December 1999 reports.²

These reports give us a valuable view of soybean production. They help producers know how oilseeds, vegetable oils and

animal fats are being utilized in this industry to plan for production as well as indicate the level of stocks available to aid in planning for situations like droughts, when production might have to be curtailed.

To see these surveys, please visit our web site at:

www.census.gov/mcd
Select Current Industrial Reports by Report Number then choose M311J or M311K.

^{1/} American Soybean Association
^{2/} Source: "Fats and Oil Seed Crushings," December 1999 and "Fats and Oils: Production, Consumption, and Stocks," December 1999.

Cotton Consumption Summary

by Robert Lee

Despite the boom in the domestic economy, textile industry activity remains weaker than other segments of the manufacturing sector. Data from the "Consumption on Cotton System and Stocks" (M313P) summary reflects this decline. Consumption of cotton in domestic spinning mills dropped 4% to just over 10 million bales in 1999. Last

year's decline, was the second consecutive year annual cotton system fiber consumption has declined. The leading consuming states of cotton in order were: North Carolina, Georgia and South Carolina. Manmade fiber consumption exhibited the same drop in 1999 as cotton, reflecting the overall drop in textile mill activity. Manmade fiber consump-

tion dropped to 1.3 million pounds in 1999 with polyester making up 1.1 million pounds of the total consumption. Cotton ginnings and exports declined 26.9% and 53.6% respectively from 1998. Although, indications show a sustained strong retail market for cotton goods in the

U.S., the demand for these cotton products are now coming from less expen-



sive imported products, ultimately, replacing some domestic mill consumption. This trend is also observed in the decrease of spindles in place, declining to 4.7 million in 1999 from 5.3 million in 1998.

Housing Unit Definition Changed

by Linnet Holland

The Manufacturing and Construction Division modified its definition of a housing unit beginning with the January 2000 survey month. This will bring the definition used for our construction surveys more in line with the Census 2000. Affected by this change are the Building Permits, Survey of Construction, and the Value of Construction Put in Place

surveys. The new definition states: *A housing unit is a house, an apartment, a group of rooms or a single room intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have a direct access from the outside of the building or*

through a common hall. The major change with this definition is that residents are no longer required to eat separately. The new definition will also allow us to count assisted living facilities, congregate care facilities, etc. as multi-family housing unless the structure is intended for skilled nursing care. As a result, the number of residential multi-family units included

in our surveys will increase; however, it is worth this small break in the series to clarify the definition. Another impact of this change will reduce the amount of construction included in the hospital and institutional category and increase the construction included in the residential category for the "Value of Construction Put in Place" series.

It All Starts Here.....



Elinor Champion,
Assistant Division Chief
for Special Studies &
Program Support



**MANUFACTURING,
MINING, AND
CONSTRUCTION
STATISTICS**
It All Starts Here!

Government policy makers, the academic community and business decision makers monitor performance of a variety of aspects of the economy. One service of the Manufacturing and Construction Division is to produce statistics to meet these specialized needs of our clients. The statistics support the work of the sponsors and, at the same time, make a host of information about manufacturing, construction and mining available to the public.

For example, the Federal Reserve Board and the Department of Defense fund a survey on the use of industrial capacity. The report issued from the survey is the only comprehensive source of data on capacity use for detailed levels of manufacturing industries. The National Science Foundation relies on us to collect and compile data on research and development spending in U.S. industry, because of our survey experience with U.S. businesses. More recently, the Environmental Protection Agency has funded a survey to collect information for assessing the cost of regulations it imposes on businesses. In designing the survey to collect data for 1999, we are attempting to learn more about how new technologies and new processing techniques have changed the way businesses reduce pollutants and protect the environment.

Programs such as these contribute to the wealth of information that expands our understanding of the economy.

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Economic Indicator Reports 2nd Qtr. Release Dates

Housing Starts	Building Permits	Houses Sold	Housing Completions	M3 (Advance Report)	M3 (Regular Report)	Value of Construction Put in Place
8:30 a.m.	(N/A)	10:00 a.m.	10:00 a.m.	8:30 a.m.	10:00 a.m.	10:00 a.m.
04/18/00	04/26/00	05/02/00	04/04/00	04/26/00	05/03/00	05/01/00
05/16/00	05/24/00	05/31/00	05/04/00	05/26/00	06/02/00	06/01/00
06/16/00	06/26/00	06/29/00	06/05/00	06/28/00	07/06/00	07/03/00

Programs:

- Economic Census
 - Manufacturing Sector
 - Mining Sector
 - Construction Sector
- Construction Statistics Indicator Programs
- Manufacturers' Shipments, Inventories, and Orders (M3)
 - Annual Survey of Manufactures (ASM)
 - Current Industrial Reports (CIR)
 - Special Study Surveys
 - Pollution Abatement
 - Plant Capacity
 - Research & Development

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